



W91321-04-C-0023

LOGANEnergy Corp.

US Army Schofield Barracks, HI PEM Demonstration Project
Mid Term Project Report

Proton Exchange Membrane (PEM) Fuel Cell Demonstration
Of Domestically Produced PEM Fuel Cells in Military Facilities

US Army Corps of Engineers
Engineer Research and Development Center
Construction Engineering Research Laboratory
Broad Agency Announcement CERL-BAA-FY03

US Army Schofield Barracks Fire Station

June 3, 2005

Executive Summary

Under terms of its FY'03 DOD PEM Demonstration Contract with ERDC/CERL, LOGANEnergy installed and currently maintains a 5kWe Plug Power GenSys5P PEM fuel cell power plant at US Army Schofield Barracks, HI fire station. This site was selected during a base tour with Schofield Barracks representatives during a visit on September 8, 2004.

The installation combines both grid parallel/grid independent electrical configurations to support the power requirements of the fire station. The unit is also thermally integrated with the fire station's hot water heater in order to transfer fuel cell process heat to the fire station's hot water tank.

Hawaii Electric serves Schofield Barracks with at a rate of \$0.13/kWH. The Gas Company is the LPG provider for the project, supplying project fuel at \$1.00 per gallon. It is anticipated that the project will add an additional \$1,042 energy costs to the base during the period of performance.

Schofield representatives have proved to be very enthusiastic and supportive of this project since its inception. The project first start occurred on Dec 8, 2004, and was officially commissioned on that same date.

The site acceptance test occurred on May 13, 2005 and was attended by Schofield representatives and visitors from The Gas Company. The unit performed normally during the test and the site inspection confirmed the installation followed the project plan.

The base POC for this project is Keith Yamanaka whose coordinates are:

Email: YamanakK@schofield.army.mil

Telephone: (808) 656-1410 ext.1120

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Proposal – Proton Exchange Membrane (PEM) Fuel Cell Demonstration of Domestically Produced Residential PEM Fuel Cells in Military Facilities

1.0 Descriptive Title

LOGANEnergy Corp. Small Scale PEM 2003 Demonstration Project at US Army Schofield Barracks, Hawaii.

2.0 Name, Address and Related Company Information

LOGANEnergy Corporation

1080 Holcomb Bridge Road
BLDG 100- 175
Roswell, GA 30076
(770) 650- 6388

DUNS 01-562-6211
CAGE Code 09QC3
TIN 58-2292769

LOGANEnergy Corporation is a private Fuel Cell Energy Services company founded in 1994. LOGAN specializes in planning, developing, and maintaining fuel cell projects. In addition, the company works closely with manufacturers to implement their product commercialization strategies. Over the past decade, LOGAN has analyzed hundreds of fuel cell applications. The company has acquired technical skills and expertise by designing, installing and operating over 60 commercial and small-scale fuel cell projects aggregating over 7 megawatts of capacity. These services have been provided to the Department of Defense, fuel cell manufacturers, utilities, and other commercial customers. Presently, LOGAN supports 30 PAFC and PEM fuel cell projects at 21 locations in 15 states, and has agreements to install 22 new projects in the US, Iceland and the UK over the next 12 months.

3.0 Production Capability of the Manufacturer

Plug Power manufactures a line of PEM fuel cell products at its production facility in Latham, NY. The facility produces three lines of PEM products including the 5kW GenSys5C natural gas unit, the GenSys5P LP Gas unit, and the GenCor 5kW standby power system. The current facility has the capability of manufacturing 10,000 units annually. Plug will support this project by providing remote monitoring, telephonic field support, overnight parts supply, and customer support. These services are intended to enhance the reliability and performance of the unit and achieve the highest possible customer satisfaction. Scott Wilshire is the Plug Power point of contact for this project. His phone number is 518.782.7700 ex1338, and his email address is scott_wilshire@plugpower.com.

4.0 Principal Investigator(s)

Name	Samuel Logan, Jr.	Keith Spitznagel
Title	President	Vice President Market Engagement
Company	Logan Energy Corp.	Logan Energy Corp.
Phone	770.650.6388 x 101	860.210.8050
Fax	770.650.7317	770.650.7317
Email	samlogan@loganenergy.com	kspitznagel@loganenergy.com

5.0 Authorized Negotiator(s)

Name	Samuel Logan, Jr.	Chris Davis
Title	President	Vice President Operations
Company	Logan Energy Corp.	Logan Energy Corp.
Phone	770.650.6388 x 101	770.650.6388 x102
Fax	770.650.7317	770.650.7317
Email	samlogan@loganenergy.com	cdavis@loganenergy.com

Name	Keith Spitznagel
Title	Vice President Market Engagement
Company	Logan Energy Corp.
Phone	724.449.4668
Fax	770.650.7317
Email	kspitznagel@loganenergy.com

6.0 Past Relevant Performance Information

a) Contract: PC25 Fuel Cell Service and Maintenance Contract #X1237022

Merck & Company
Ms. Stephanie Chapman
Merck & Company
Bldg 53 Northside
Linden Ave. Gate
Linden, NJ 07036
(732) 594-1686

Contract: Four-year PC25 PM Services Maintenance Agreement.

In November 2002 Merck & Company issued a four-year contract to LOGAN to provide fuel cell service, maintenance and operational support for one PC25C fuel cell installed at their Rahway, NJ plant. During the contract period the power plant has operated at 94% availability.

b) Contract: Plug Power Service and Maintenance Agreement to support one 5kWe GenSys 5C and one 5kWe GenSys 5P PEM power plant at NAS Patuxant River, MD. .

Plug Power
Mr. Brian Davenport
968 Albany Shaker Rd.
Latham, NY 12110
(518) 782-7700

LOGAN performed the start-up of both units after Southern Maryland Electric Cooperative completed most of the installation work and continues to provide service and maintenance during the period of performance.

c) Contract: A Partners LLC Commercial Fuel Cell Project Design, Installation and 5-year service and maintenance agreement. Contract # A Partners LLC, 12/31/01

Mr. Ron Allison
A Partner LLC
1171 Fulton Mall
Fresno, CA 93721
(559) 233-3262

On April 20, 2004 LOGAN completed the installation of a 600kWe PC25C CHP fuel cell installation in Fresno, CA. The fuel cells also provide low-grade waste heat at 140

degrees F that furnishes thermal energy to 98 water source heat pumps located throughout the 12-story building during the winter months.

7.0 Host Facility Information

Picture of US Army Schofield Barracks under attack Dec 7, 1941.



In 1872, Major General John M. Schofield, Commanding General of the US Army's Pacific Division, visited the Hawaiian Islands to determine the defense capabilities of its ports. He concluded that a harbor could be formed at the mouth of the Pearl River and that it could be easily defended. After the 1898 annexation of Hawaii by the United States, military forces started moving to the islands. In April 1909, the War Department renamed the post to Schofield Barracks from the name most often used in the area, "Castner Village".

The Secretary of War approved plans for construction and troop build-up at Schofield Barracks in 1911. The plans called for five infantry regiments, and one each of cavalry and field artillery. Those plans were later altered but permanent quarters were needed for the four regiments already on post. The first permanent structures on post, which still exist today, were the quadrangle barracks.

When all of Schofield's troops were called to war in 1917 the Hawaiian National Guard moved in and after the Armistice was signed in November 1918 they began beautifying the post. The National Guard planted many of the large trees seen on Schofield

Barracks, including the Norfolk Pines. Construction that was postponed during the war was resumed in the early 1920's. An extension of the Oahu Railway and Land Company railroad was built to pass in front of the quads.

Construction in the 1930's reflected a style called art decor, characterized by its round edges. Also in the 1930's, many of Schofield's fields and streets were named to commemorate outstanding military leaders including Generals Henry Butner and Harry Bishop, Colonels Wright Smith and George Stoneman and Lieutenants William Sills and Guy Benson.

Up until and during the Korean War, Schofield Barracks facilities were under utilized while mainland facilities were overrun with draftees. In 1951, a basic training center was established for replacement troops. The 25th Infantry returned to Hawaii in 1954 to add to the population of Schofield Barracks. The additional troops and families presented a demand for more facilities to include a new commissary, noncommissioned officers' club and the first elementary school.

During the Vietnam Conflict, the barracks were so under utilized that they were remodeled to form semi-private rooms. In the 1970's, upgrades of facilities could be seen all over Schofield Barracks to include commissary, youth and child-care, and restaurant facilities. The post stockade was closed in 1977 and was used as a Correctional Custody Facility until November 1990. H-2, the highway connecting Schofield Barracks to Honolulu, was also completed in 1977.

By the early 1980's, Schofield Barracks was well populated and the largest post operated by the US Army outside the continental United States. Today, Schofield Barracks is a well-maintained and self-contained Army community. The electric service provider is Hawaii Electric and the LPGas Service provider is Hawaii Gas. The map pictured at right, Figure 1, indicates the location of Schofield Barracks relative to other geographic areas and points of interest on the island of Oahu, HI.

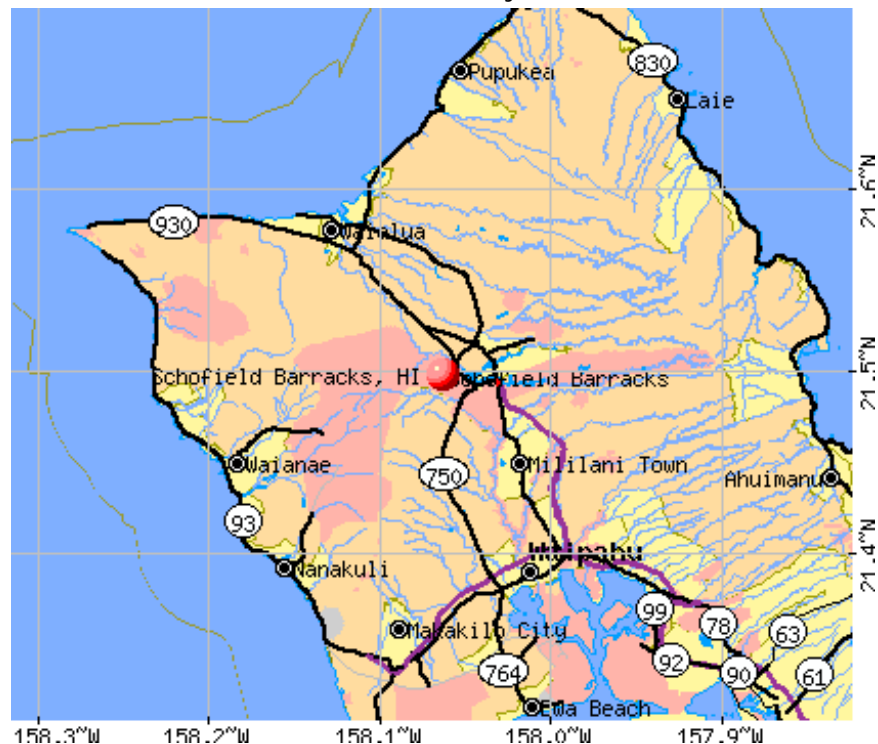


Figure 1

8.0 Fuel Cell Site Information and Fuel Supply

The photo at right, Figure 2, shows the front elevation of the Schofield Barracks fire station. This site became the consensus favorite after LOGAN and Schofield representatives toured the base. The fire chief expressed great enthusiasm in hosting the project, and the site, itself, provides a good opportunity to install and display the fuel cell to good effect.



Figure 3

While operating at a set point of 2.5kW, the GenSys5P fuel cell will consume .53 gallons of LPGas per hour. This equates to 20% electrical efficiency, which is low by conventional power generation standards. However, this is a first generation LPGas fuel cell, and the more important issue will be to determine that the product functions in accordance with its design specifications and achieves 90% availability during the test period. When thermal recovery is added to the efficiency equation, then

overall efficiency could exceed 55% under ideal circumstances. LOGAN processed a digging permit prior to beginning site work. No other permits were required at this site.



Figure 2

Figure 3 at left shows the fuel cell sitting on its pad at the rear of the fire station. Since natural gas is not available in Hawaii, LOGAN has selected an LPGas unit for this project. The 250-gallon LPGas fuel tank, pictured immediately below in Figure 4 provides fuel storage for the project and sits approximately 25 feet away from the fuel cell.



Figure 4



Figure 5
May 13, 2005 Photo of Acceptance Test Attendees

9.0 Electrical System

The Plug Power GenSys5P PEM fuel cell power plant provides both grid parallel and grid independent operating configurations. This dual capability is an important milestone in the development of the GenSys5



Figure 7



Figure 6

product, and for the PEM Program itself, as it is a significant developmental step on the pathway to product commercialization. The unit has a power output of 110/120 VAC at 60 Hz, and when necessary the voltage can be adjusted to 208vac or 220vac depending upon actual site conditions. The photo above right, Figure 6, shows the electrical service panel in at the rear entrance to the fire station.

This is the point of electric service entry to the facility. The fuel cell grid parallel conductor has been wired to this panel at a spare 60-amp circuit breaker and provides up to 45 amps electrical service to facility loads. In addition, LOGAN installed a new fuel cell emergency panel, pictured above left in Figure 7, inside the fire station office, in order to provide up to 35 amps of stand-by power to computer server, communications, and emergency lighting loads within the facility. Note the station UPS wired into the emergency panel (white box seen in Figure 7). In the event of a utility grid failure during the test period, the fuel cell will provide power to these circuits until the utility restores power service to the base.

10.0 Thermal Recovery System

While operating at a power set point of 2.5kW, the GenSys5P circulates 8,000Btu/H of 140 degree F hot water through a customer heat exchanger. If there is no demand for heat, the unit rejects process heat through an air-cooled radiator. In order to capture this thermal energy and provide it to the fire station, LOGAN installed a Heliodyne heat exchanger to transfer fuel cell process heat to the existing hot water heater, pictured in Figure 8 in the photo below.

The Heliodyne is a “U” shaped coil within a coil design that provides double wall protection between the heat source and the heat sink. It was designed primarily for the solar heating industry, but has proved to be very adaptable to the fuel cell industry as well. The Heliodyne, seen installed on the fire station water heater at has its own pump that circulates the tank in a counter flow against incoming hot water provided by the fuel cell’s heat exchanger. While this method of waste heat recovery, typically, has a low load factor, the demonstration provides an opportunity to evaluate the effectiveness of the heat transfer system and refine installation methods.



Figure 8

11.0 Data Acquisition System

In order to monitor the fuel cell and capture/trend performance data, LOGAN installed a Connected Energy Corporation (CE) web based SCADA system that connects to a local ISP. The schematic drawing seen below in Figure 9 describes the architecture of the Terminal Unit hardware that supports the project. The system provides a comprehensive data acquisition solution and also incorporates remote control, alarming, notification, and reporting functions. The system captures and displays a number of fuel cell operating parameters on functional screens including kWh, cell stack voltage, and water management, as well as external instrumentation inputs including Btu transfer, fuel flow, and thermal loop temperatures.

With the installation of this system at the Schofield Barracks project, LOGAN continues to learn new lessons in Web based CHP resource management. The web communications interface at the fire station is provided by a local ISP.

The CE system requires very precise signals from the outputs of these devices. The gas meters, watt meters, flow meters and thermal elements invariably require signal strength adjustment at the RTU terminals to insure that their discrete inputs are readable by the system. Discovering the proper voltage range required for each signal loop is most often achieved by trial and error, requiring multiple site visits to establish a readable connection. In other instances LOGAN has discovered that flow metering

devices and thermal couples often require high levels of maintenance and/or replacement to support continuous data collection. It is anticipated that the humid oceanic climatic conditions in Hawaii will expose a new set of functional issues that will provide new learning experiences

Already this appears to be occurring. For some as yet undiagnosed reason the site RTU has proven unable to retrieve a constant stream of data. Instead, LOGAN has been able to retrieve only intermittent data after three months of operation. Unfortunately, after exhaustive troubleshooting of the system and changing many components, the solution has not yet become apparent. In order to correct this deficiency, LOGAN has launched a comprehensive installation process/materials/ practices review in an all out effort to correct the problem. We believe that it will be solved in short order.

Connected Energy's Operations Control Center in Rochester, New York, collects, stores, displays, alarms, archives site data, and maintains connectivity by means of a Virtual Private Network link to the fuel cell.

Figure 10, on page 14, is an example of one of many data screens that are maintained by the CEC system and displayed on the web. Due to the problem described above the screen provides only incomplete data in the data display boxes. A sample data graph is also attached to Appendix 2 providing kWh and fuel flow from May 5 to the present.

To view the operation of this unit online, please open your browser to:

<https://www.enerview.com/EnerView/login.asp>

Then login as: Logan. user and enter password: guest. Select within the Pacific Region the location labeled Schofield Barracks then you may navigate the site or other LOGAN sites using the tool bars or html keys.

CEC WEB enabled SCADA terminal hardware.

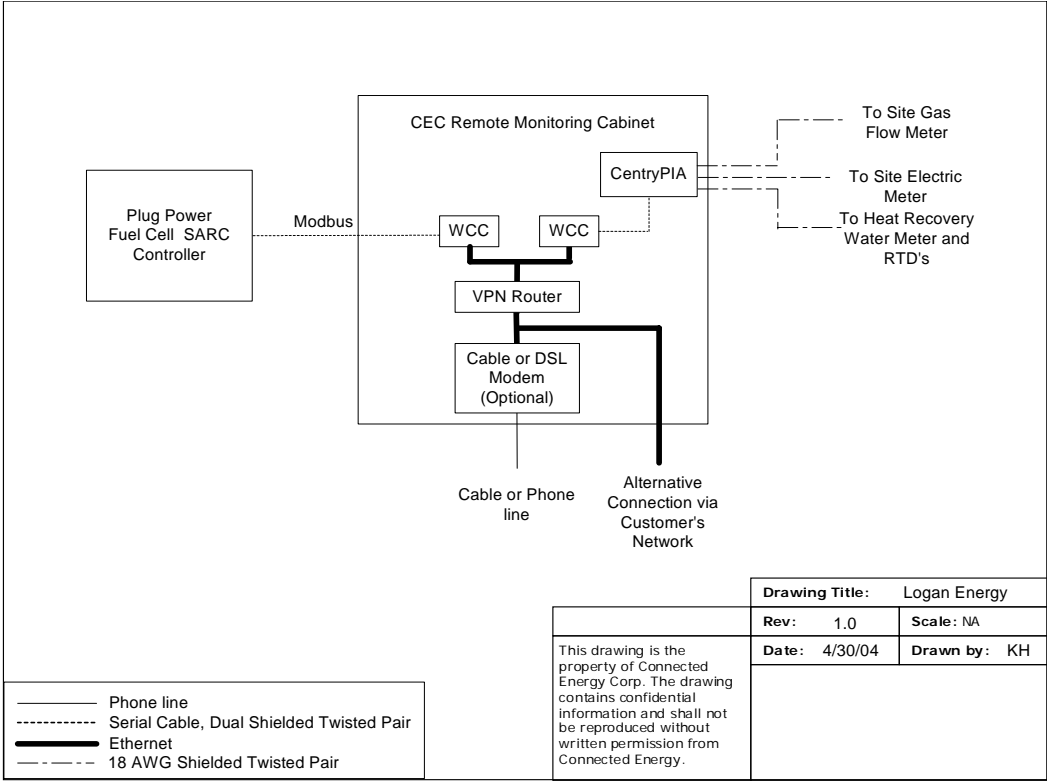


Figure 9

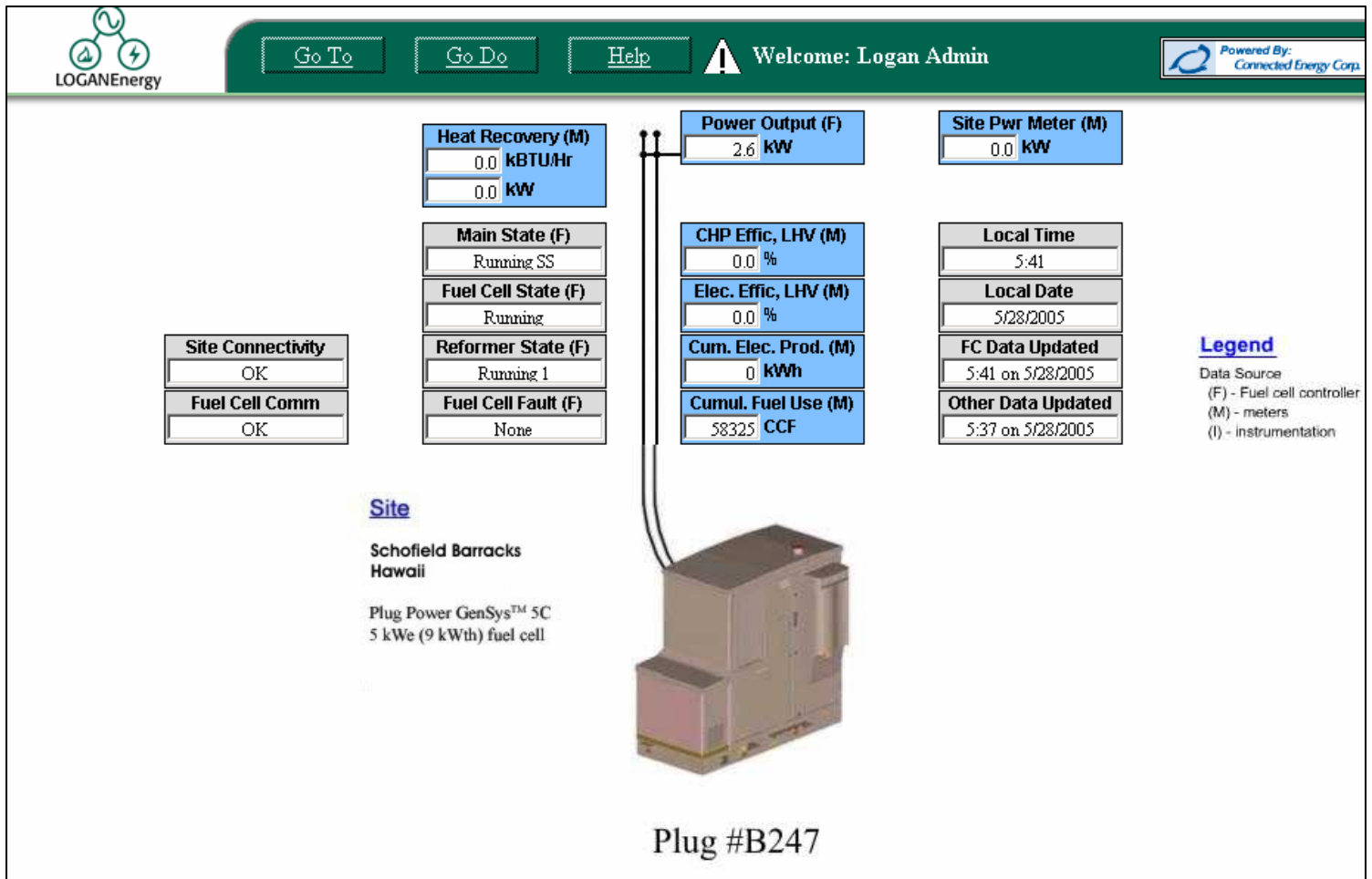


Figure 10
Schofield Barracks Data Screen indicating operating status...note that some data boxes are not recording due to the service issues described above.

12.0 Economic Analysis

US Army Scofield Barracks, Honolulu, HI			
1) Water (per 1,000 gallons)	\$	0.85	
2) Utility (per KWH)	\$	0.130	
3) LPGas (per gallon)	\$	1.00	
First Cost		Estimated	Actual
Plug Power 5 kW SU-1		\$ 75,000	\$ 75,000
Shipping		\$ 4,800	\$ 1,750
Installation electrical		\$ 4,875	\$ 5,351
Installation mechanical, LPGas & thermal		\$ 13,205	\$ 8,946
Web Package		\$ 5,200	\$ 8,770
Site Prep, labor materials		\$ 375	\$ 941
Training		\$ 2,000	
Lodging and Perdiem			\$ 2,461
Technical Supervision/Start-up		\$ 3,000	\$ 4,500
Total		\$ 108,455	\$ 107,719
Assume Five Year Simple Payback		\$ 21,691	\$ 21,544
Forecast Operating Expenses	Vol/hr	\$/Hr	\$/ Yr
LPGas gallons	0.5300	\$ 0.53	\$ 4,178.52
Water Gallons per Year	14,016		\$ 11.91
Total Annual Operating Cost			\$ 4,190.43
Economic Summary			
Forecast Annual kWH		19710	
Annual Cost of Operating Power Plant	\$	0.213 kWH	
Credit Annual Thermal Recovery Rate		(\$0.0297) kWH	
Project Net Operating Cost	\$	0.183 kWH	
Displaced Utility cost	\$	0.130 kWH	
Energy Savings (Cost)		(\$0.053) kWH	
Annual Energy Savings (Cost)		(\$1,042.72)	

Explanation of Calculations:

Actual First Cost Total is a *sum* of all the listed first cost installation tasks and components.

Assumed Five Year Simple Payback is the Estimated First Cost Total *divided by* 5 years.

Forecast Operating Expenses:

LPGas usage in a fuel cell system set at 2.5 kW will consume 0.53 gallons LPGas per hour. The cost per hour is 0.53 gallons per hour \times the cost of LPGas to the site. The LPGas cost at this site is \$1.00/ gallon.

GenSys fuel cell systems set at 2.5 kW will consume 1.6 gallons of water per hour through the DI panel. The estimated volume of water consumed at 14,016 gallons per year is 1.6 gph \times 8760 hours per year. The cost per year at \$170.01 is 14,016 gph \times cost of water to the site at \$12.13 per 1000 gallons.

The Total Annual Operating Cost, \$4,190 is the *sum of* the cost per year for fuel and the cost per year for the water consumption.

Economic Summary:

The Forecast Annual kWh at 19,710 kWh is the product of 2.5 kW set-point for the fuel cell system \times 8760 hours per year \times 0.9. The 0.9 is for 90% estimated availability.

The Annual Cost of Operating the Power Plant at \$0.213 per kWh is the Total Annual Operating Cost of \$4,190 *divided by* the forecast annual kWh of 19,710 kWh.

The Credit Annual Thermal Recovery at -\$0.029/kWh is 7800 *divided by* 3414. This is then *multiplied by* 0.9 \times 0.1 \times the cost of electricity at \$0.1300 per kWh \times (-1). As a credit to the cost summary, the value is expressed as a negative number.

The Project Net Operating Cost is the *sum* of the Annual Cost of Operating the Power Plant *plus* the Credit Annual Thermal Recovery. In this case the fuel cell operating cost of \$0.183/kWh is \$0.053/kWh more per kWh than the competitive grid rate of \$0.13/kWh. As a result the project projects a net energy cost increase to the base of \$1,042.

The Displaced Utility Cost is the cost of electricity to Kaneohe Bay per kWh.

Energy Savings (cost) equals the Displaced Utility Cost *minus* the Project Net Operating Cost.

Annual Energy Savings (cost) equals the Energy Savings (cost) \times the Forecast Annual kWh.

Appendix

- 1) Monthly Performance Data
- 2) Performance Data Graph
- 3) Work Log/Incident reports

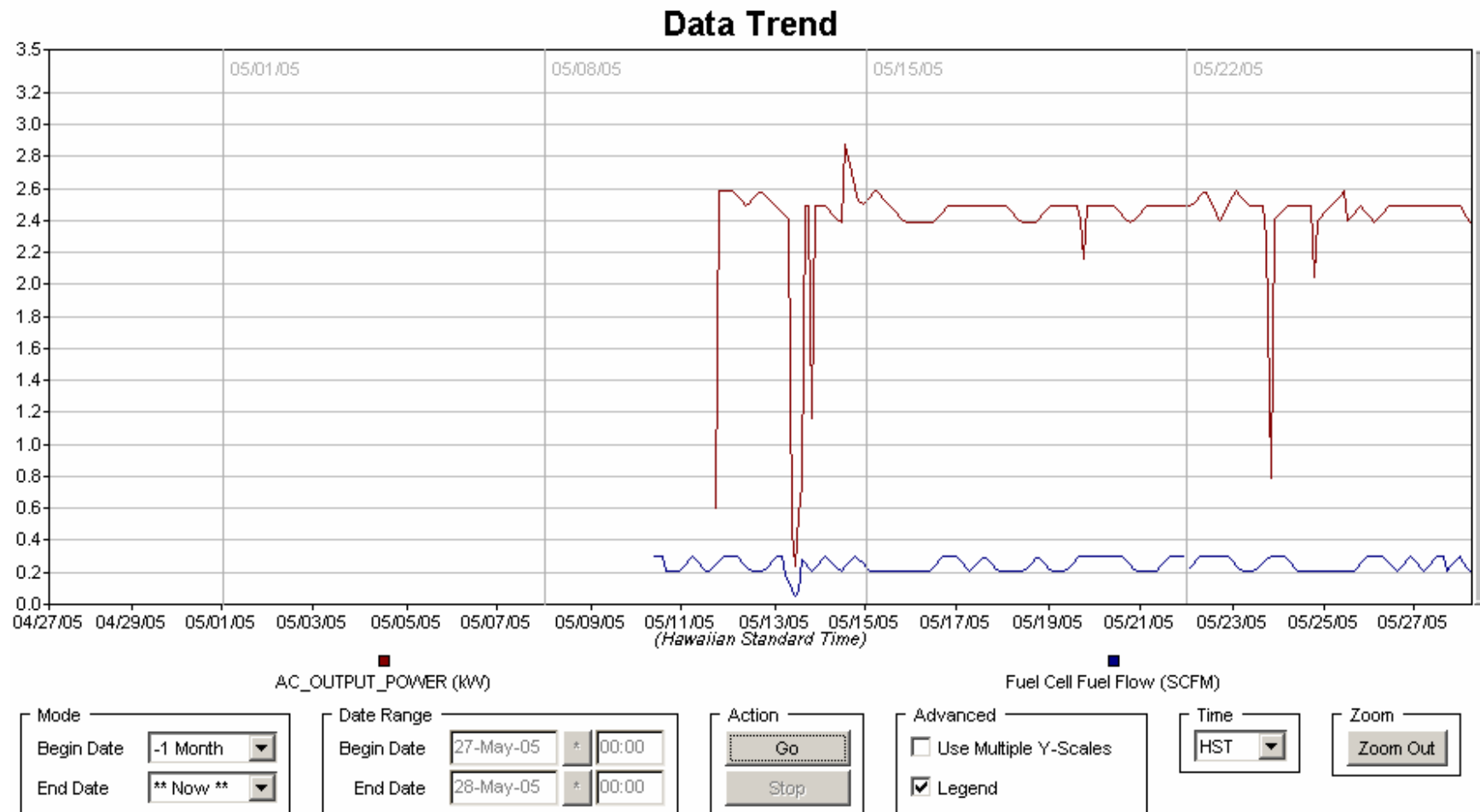
Appendix 1... Monthly Performance Data

Suggested Format for PEM Fuel Cell Performance Data

System Number: I01B000000247-L Commission Date: 1/1/2005 Site Location(City,State): Oahu, Hawaii
 Site Name: ichofield Barrack Fuel Cell Type: Plug Power PEM
 Fuel Type: LPG Contractor: LOGANEnergy Inc.
 Lower Heating Value: 943 BTU/scf Local Res Fuel Cost: \$2.10 \$/Gal Base Fuel Cost per Therm: \$1.00 \$/Gal
 Capacity kW 5 Local Res Electricity:: \$0.16 \$/kWhr Base Electricity Cost per kWhr: \$0.13 \$/kWhr

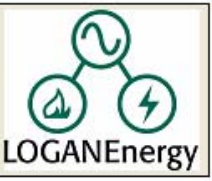
Month	Run Time (Hours)	Time in Period (Hours)	Availability (%)	Energy Produced (kWe-hrs AC)	Output Setting (kW)	Average Output (kW)	Capacity Factor (%)	Fuel Usage, LHV (kWh)	Fuel Usage, LHV (BTUs)	Fuel Usage (SCF)	Electrical Efficiency (%)	Thermal Heat Recovery (BTUs)	Heat Recovery Rate (BTUs/hour)	Thermal Efficiency (%)	Overall Efficiency (%)	Number of Sched Outages
insert month	insert operating hours	insert hours in month	*1	insert produced energy	insert output setting	*2	*3	insert fuel consumption			*4	insert heat recovery	*5	*6	*7	insert value
1/5	720	720	100%	1765.3	2.5	2.451805556	0.490361111	6861	23409732	23142.86106	0.257445673	0	0	0	0.257445673	0
2/5	672	672	100%	1648	2.5	2.452380952	0.49047619	6414	21884568	21635.08392	0.257088557	0	0	0	0.257088557	0
3/5	744	744	100%	1833	2.5	2.463709677	0.492741935	7370	25146440	24859.77058	0.248856777	0	0	0	0.248856777	0
4/5	720	720	100%	1820	2.5	2.527777778	0.505555556	7461	25456932	25166.72298	0.244078116	0	0	0	0.244078116	0

Appendix 2... Graph of kW power generation plotted against fuel flow to the system.



.Appendix 3... Work Logs and Incident Reports

Incident Report

 **INCIDENT REPORT and WORK LOG**

Report Date Engineer


Power Plant Serial Number

Event Record | **Work Log** | Parts Replaced

Describe Problem

Service / Corrective Action

Incident Report

**INCIDENT REPORT and WORK LOG**

Report Date 1/11/2005 **Engineer** Steve Butala **OK** **Cancel**


Power Plant Serial Number B247

Event Record **Work Log** **Parts Replaced**

Describe Problem Possible propane issue - high sulfur content - at Schofield.

Service / Corrective Action Charlie Senning at the Gas Co. having propane tested.

Incident Report



INCIDENT REPORT and WORK LOG

Report Date3/18/2005

EngineerSteve Butala

Power Plant Serial NumberB247

OK

Cancel

Event Record

Work Log

Parts Replaced


Describe Problem

Connected Energy box not sending data

Service /
Corrective Action

Installed power supply, resistor, wiring.

Incident Report

INCIDENT REPORT and WORK LOG

Report Date4/5/2005EngineerSteve Butala

Power Plant Serial NumberB247

OKCancel


Event RecordWork LogParts Replaced

Describe Problem

Service /
Corrective Action

Changed desulfur can and internal DI filter.

Incident Report

LOGANEnergy

INCIDENT REPORT and WORK LOG

Report Date4/15/2005

EngineerSteve Butala

OK

Cancel

Power Plant Serial NumberB247

Event Record

Work Log

Parts Replaced


Describe Problem

Connected energy box not sending data.

Service /
Corrective Action

Worked on internet connection. Worked on CE and meter wiring. Couldn't get thru router.

Incident Report

INCIDENT REPORT and WORK LOG

Report Date4/22/2005EngineerSteve Butala

Power Plant Serial NumberB247

OKCancel

Event RecordWork LogParts Replaced


Describe Problem

Connected energy box not sending data

Service /
Corrective Action

Worked on internet connection. Got connected to LAN. Still couldn't get thru router.

Incident Report



INCIDENT REPORT and WORK LOG

Report Date Engineer

Power Plant Serial Number

OK Cancel

Event Record Work Log **Parts Replaced**


Describe Problem

Connected energy box not sending data.

**Service /
Corrective Action**

Finally got thru router. Data sending and receiving but intermittantly.

Incident Report

INCIDENT REPORT and WORK LOG

Report Date5/11/2005EngineerSteve Butala

Power Plant Serial NumberB247

OKCancel

Event RecordWork LogParts Replaced


Describe Problem

Connected energy box sending data intermittantly. CHP plumbed incorrectly.

Service /
Corrective Action

Changed out Omega meter to ISTECH meter. Wired up to CE box. Per Mark Ginther from CE, he was seeing all of the data points. Plumber replumbed CHP piping.

Incident Report



INCIDENT REPORT and WORK LOG

Report Date5/13/2005EngineerSteve Butala

Power Plant Serial NumberB247

OK

Cancel

Event RecordWork LogParts Replaced

Describe Problem

Schofield acceptance test with Sam Logan and Dr. Binder.

Service /
Corrective Action

Interface would not come up. Per instructions from Plug Tech support, modem probably locked up. Shut down, depowered and restarted. Interface still would not come up. Restarted unit remotely from home phone.

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